Federal Communications Commission 445 12th Street, S.W. Washington, D. C. 20554

News Media Information 202 / 418-0500 Internet: http://www.fcc.gov TTY: 1-888-835-5322

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC. 515 F 2d 385 (D.C. Circ 1974).

FOR IMMEDIATE RELEASE: September 6, 2005

NEWS MEDIA CONTACT: Mark Wigfield, 202-418-0253 Email: mark.wigfield@fcc.gov

FCC Conditionally Grants TracFone's Petition for Forbearance

Commission Allows Wireless Reseller to File for ETC Designation for Lifeline Support

Washington, D.C. – The Federal Communications Commission (Commission) today conditionally granted a petition filed by wireless reseller TracFone Wireless Inc. (Tracfone) asking the Commission to forbear from enforcing a rule that effectively bars companies that do not own their own facilities from participating in the Commission's "Lifeline" low-income support program. Specifically, the grant of forbearance from application of section 214(e) and related rules is conditional on TracFone attaining ETC designation, providing to Lifeline customers services that include basic and enhanced 911 capabilities regardless of whether the handset is activated, providing Lifeline customers E911 compliant handsets only, obtaining certification from Public Safety Answering Points of its compliance with basic and enhanced 911 obligations in the areas in which it operates, and adopting sufficient safeguards to ensure the integrity of the Lifeline program.

The Order will allow the Commission to consider TracFone's separate petitions to be designated an Eligible Telecommunications Carrier, or ETC, in eight states so that it can participate in the Universal Service Fund's Lifeline program. The Lifeline program ensures that low-income consumers have access to quality telecommunications services at just, reasonable, and affordable rates.

Granting forbearance furthers the Commission's goal of boosting participation in the Lifeline program. Currently, only about one-third of households eligible for low-income assistance actually subscribe to the program.

Action by the Commission, September 6, 2005, by Report and Order (FCC 05-165).

CC Docket No. 96-45

Wireline Competition Bureau Staff Contact: Carol Pomponio, <u>carol.pomponio@fcc.gov</u>, 202-418-1898.